



**FINANCE AND ADMINISTRATION CABINET
DEPARTMENT FOR FACILITIES AND SUPPORT SERVICES**

Matthew G. Bevin
Governor

Division of Real Properties
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William M. Landrum III
Secretary

Scott Aubrey
Director

Robert M. Burnside
Commissioner

MEMORANDUM

TO: Shawn Bowen, Committee Staff Administrator
Capital Projects and Bond Oversight Committee

FROM: Brien S. Hoover, Leasing Manager 
Division of Real Properties

DATE: April 27, 2017

SUBJECT: PR-3590, Franklin County
Cabinet for Health & Family Services
Annual Rental Exceeding \$100,000.00

As outlined, attached please find notification of a lease agreement renewal being processed by our Division's Leasing Branch.

If you have any questions or require additional information concerning this matter, please advise.

BSH/bh

CC: Capital Construction Log
OSBD
PR-3590 File
BSH

Attachment



REPORT TO CAPITAL PROJECTS AND BOND OVERSIGHT COMMITTEE**LEASE RENEWAL WITH ANNUAL RENTAL EXCEEDING \$100,000.00**

Lease No.: PR-3590		County: Franklin	
Using Agency: Cabinet for Health & Family Services			
LESSOR (identify all parties having 5% or more ownership): Attached extra sheet if necessary		First City Complex	
Property Location: 102 Athletic Drive, Frankfort, KY			
Check One: <input type="checkbox"/> New Lease <input checked="" type="checkbox"/> Renewal <input type="checkbox"/> Modification			
Type Space: Office		Cost Per Square Foot: \$11.34	
Annual Rental Cost: \$1,127,853.72		Average Cost Per Square Foot of Leased-In Space in County: \$8.33	
Utilities Included: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Cancellation Clause:	<input checked="" type="checkbox"/> Yes If yes, explain terms: 30 Days		<input type="checkbox"/> No If no, explain why not:
Effective Date: July 1, 2017		Expiration Date: June 30, 2023	
Justification for Lease: Lease renewal			
Has the Finance & Administration Cabinet complied with statutory requirements: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:			
Explain why the Finance & Administration Cabinet chose this lessor: Lease renewal			

COMMONWEALTH OF KENTUCKY LEASE RENEWAL AGREEMENT

1. Subject to the limitations imposed by law and the terms set forth in the original Lease Agreement, and as designated below by signature of the parties (or their representatives), the following described Lease Agreement by and between **HEALTH AND FAMILY SERVICES** and **FIRST CITY COMPLEX P O BOX 191 FRANKFORT, KY 40602**, by mutual agreement, is hereby renewed at the same terms and conditions for further periods of twelve (12) months not to extend beyond June 30 (please check and initial your choice on the appropriate line):

<input type="checkbox"/> 2018	<input type="checkbox"/> 2019	<input type="checkbox"/> 2020	<input type="checkbox"/> 2021
<input type="checkbox"/> 2022	<input checked="" type="checkbox"/> 2023 <u>May</u>	<input type="checkbox"/> 2024	<input type="checkbox"/> 2025

The annual base rental rate shall remain \$11.34 per square foot for 99,458 rentable square feet.

LEASE NUMBER: PR03590	LOCATION: 102 ATHLETIC DR FRANKFORT, KY
COUNTY: FRANKLIN	
ADDENDUM ATTACHED: NO (Lessor must sign Addendum if attached)	

- The Lessor agrees to notify the Commonwealth of all persons owning, or upon any change or transfer of ownership involving five percent (5%) or more in stock, in partnership, in business trust, or in corporation, including silent or limited partners. Non-compliance may result in termination of the Lease Agreement.
- The Lessor acknowledges that his property may be inspected by the Division of Building Codes Enforcement and/or the State Fire Marshal and must comply with all applicable standards (life safety and ADA accessibility).
- The contractor, as defined in KRS 45A.030 (9) agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the contract and shall be exempt from disclosure as provided in KRS 61.878(1)(c). The contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. In the event of a dispute between the contractor and the contracting agency, Attorney General, or the Auditor of Public Accounts over documents that are eligible for production and review, the Finance and Administration Cabinet shall review the dispute and issue a determination, in accordance with Secretary's Order 11-004.
- The Lessor certifies by his signature hereinafter affixed that he ("he" is construed to mean "they" if more than one person is involved; and, if a firm, partnership, corporation, business trust or other organization is involved, then "he" is construed to mean any person with an interest therein) is legally entitled to enter into contracts with the Commonwealth of Kentucky and that by holding and performing this contract will not be violating either any conflict of interest statute (KRS 45A.330 - 45A.340 or 45A.990) of the Executive Branch Code of Ethics, KRS Chapter 11A, or any other applicable statute or principle by the performance of this Lease, or will he realize any unlawful benefit or gain directly or indirectly from it. The Lessor further certifies that he has not knowingly violated any provision of the campaign finance law of the Commonwealth, and that by entering into this Lease Modification Agreement he will not be in violation of the campaign finance laws of the Commonwealth.

First City Complex
Mary Ann Shulette, Manager
 LESSOR

Annual Amount \$ 1,127,853.72

502-227-7518
 LESSOR'S CURRENT PHONE NUMBER

NEW ADDRESS Only if the above Address is Incorrect

Commonwealth of Kentucky - LEASING AGENCY REPRESENTATIVE

ATTORNEY, FINANCE & ADMINISTRATION CABINET

SECRETARY, FINANCE & ADMINISTRATION CABINET

All correspondence and inquiries regarding this Lease Modification Agreement are to be directed to the Division of Real Properties, Suite 300, 403 Wapping Street, Frankfort, Kentucky 40601-2607, phone 502/564-2319. BSH/RP